

# Will vs. Revocable Trust vs. Irrevocable Trust

	WILL	REVOCABLE TRUST	IRREVOCABLE TRUST
Best for Clients With:	Young Children & Few Assets	No LTC Concerns & Net Worth of \$3-5M	LTC Concerns OR Net Worth of \$2M+ & Tax Concerns
Can Appoint Guardian for Minor Children	Yes	No	No
<b>COST FACTORS</b>			
Typical Cost to Create for Married Couple	\$2,000	\$3,000-\$4,000	\$3,000-\$5,000
Fiduciary Commissions Paid to Distribute \$1M in Assets*	\$34,000	\$10,000	\$10,000
Fiduciary Commissions Paid to Distribute \$10M in Assets*	\$234,000	\$100,000	\$100,000
<b>TIME SAVINGS</b>			
Avoids Probate & Court Fees	No	Yes	Yes
Speed to Appoint Fiduciary	Typically 1-3 months	Immediate	Immediate
Speed to Administer	Typically 1-2 years	1-3 months (most assets)	1-3 months (most assets)
Court Oversight	Yes	No	No
<b>EASE OF ADMINISTRATION</b>			
Private <sup>Δ</sup>	No	Yes	Yes
Can Name Fiduciary with Ease	No	Yes	Yes
Works During Incapacity	No	Yes	Yes
Can Change Beneficiary	Yes	Yes	Yes <sup>†</sup>
<b>TAX SAVINGS</b>			
Potentially Saves Estate Taxes	No	No	Yes
May Reduce Income Taxes	No	No	Yes
Ability to Choose Governing Tax Law <sup>⌘</sup>	No	No	Yes
<b>PROTECTION</b>			
Protects Assets	No	Only after death	Yes
Protects for Special Needs & Disability	No	No	Yes

\* NY SCPA Section 2307/2309    Δ Unless contested    ⌘ Except Real Estate    † Through Limited Power of Appointment

This chart is for informational purposes only. Please consult with a qualified estate planning attorney for advice based on your individual situation.

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# How Trusts Save Time and Money

	WILL	TRUST
<b>Best for clients with:</b>	<b>Few Assets &amp; Young Children</b>	<b>Everyone Else!</b>
Attorney drafts probate petition	🕒 + \$	Not Required
Notices sent to all beneficiaries	🕒 + \$	Not Required
Beneficiaries must approve appointment of executor	🕒 + \$	Not Required
All heirs must be notified, even if not mentioned in will	🕒 + \$	Not Required
Beneficiaries who do not consent must be served with citation	🕒 + \$	Not Required
Wait ~1 month for petition to be submitted	🕒 + \$	Not Required
Potential for delays if there are objections to executor appointment	🕒 + \$	Not Required
Wait ~1-2 months for court to approve petition	🕒 + \$	Not Required
Pay for and file a bond with the court if required	🕒 + \$	Not Required
Contact insurance company to obtain bond	🕒 + \$	Not Required
Pay court costs, typically over \$1,000	🕒 + \$	Not Required
Paralegals copy all proceedings	🕒 + \$	Not Required
Possible need for family tree or heirship affidavits, or need to hire genealogist	🕒 + \$	Not Required
Problems serving minors due to incapacity, incarceration, disability or difficulty contacting heirs	🕒 + \$	Not Required
Mail notices to all creditors	🕒 + \$	Not Required
Settle or litigate both valid and bogus creditor claims	🕒 + \$	Not Required
Notify federal & state tax authorities	🕒 + \$	Not Required
Wait at least 6-7 months before distribution can occur	🕒 + \$	Not Required
Liquidate investments	🕒 + \$	🕒 + \$
List and sell real estate	🕒 + \$	🕒 + \$
Establish reserves for taxes, accounting and legal costs	🕒 + \$	🕒 + \$
Distribute net proceeds	🕒 + \$	🕒 + \$